

INFORMATION REPORT  
CONFIDENTIAL

COUNTRY Yugoslavia  
SUBJECT Industrial and Economic Notes  
on Yugoslavia  
PLACE [REDACTED] 25X1C  
ACQUIRED [REDACTED]  
DATE OF INFO [REDACTED]

CD NO. [REDACTED] 25X1A  
DATE DISTR. 8 AUG 49  
NO. OF PAGES 2  
NO. OF ENCLS.  
(LISTED BELOW)  
SUPPLEMENT TO  
REPORT NO.

25X1X

1. Ljesko Polje - Titograd Canal

A construction project, which consists of building cement and stone embankments in sites where the swift river current tends to erode the banks, is currently under way on this Canal. Approximately two hundred workers are engaged in the project.

2. Strikes

On 16 June, at the instigation of a Cominformist laborer, who was later arrested and incarcerated in Zara, the canal workers attempted to strike. Poor pay and severe living conditions prompted their action.

Similar strikes occurred recently in the Rakovica airplane factory, the Split cement factory and in the Neptune fishing canneries of Split and the Mardesic Cannery of Vis.

In each instance the Government forcibly suppressed the strikes and transferred the more compromised workers to factories in other districts.

3. Production Schemes

In all branches of industry incentive schemes are being placed in effect in order to increase production. Each worker or engineer who succeeds in introducing a more rapid or more practical method of production in his respective field automatically receives a 12 percent increase in base pay and a financial reward as high as 25,000 Dinar.

Engineer Masari of the Radeljevic Chemical plant at Ragusa was rewarded recently for having succeeded in refining mineral oil to the point where it was fit for human consumption.

4. Split Shipyards

In the Visko Krstulovic Shipyards at Split the workers were addressed in early June by Yugoslav Army Major Mijan Peko who stated that "certain powers" were planning an invasion of Yugoslavia and, with that in mind, all workers

CLASSIFICATION [REDACTED] / CONTROL - U. S. OFFICIALS ONLY

STATE	<input checked="" type="checkbox"/>	NAVY	<input checked="" type="checkbox"/>	NSRB	<input checked="" type="checkbox"/>	DISTRIBUTION													
ARMY	<input checked="" type="checkbox"/>	AIR	<input checked="" type="checkbox"/>	FBI	<input checked="" type="checkbox"/>														

CONFIDENTIAL

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.

Next Review Date: 2008

Document No. [REDACTED]  
NO CHANGE in Class. ☐  
☒ DECLASSIFIED  
Class. CHANGED TO: TS S C  
EXEMPTED FROM GDS, 4 Apr 77  
Auth: DPA REG. 77/1763  
By: 013

~~CONFIDENTIAL~~~~CONTROL~~ - U. S. OFFICIALS ONLY

CENTRAL INTELLIGENCE AGENCY

25X1A  
~~CONFIDENTIAL~~

- 2 -

should do their utmost to increase the national level of production, so that the nation would be ready to meet any emergency.

5. Penicillin Production

The construction of a factory at Zemun for the production of penicillin is almost complete. This factory is intended to supply all national needs. Factories producing similar anti-bacterial drugs will be constructed in the near future at Skoplje, from capital supplied by Norway.

6. Lake Scutari

Despite Albania's reluctance to continue joint planning with Yugoslavia on the draining of Lake Scutari after the Cominform rift, the Yugoslav Government is continuing with plans of its own. The costs of this project will be higher than originally planned, since it now will be necessary to build a dam through the Lake along the Yugoslav-Albanian border, to avoid draining Albanian waters.

7. Suplja Stjena

At the lead and zinc mine of Suplja Stjena the directors have announced the imminent arrival of new foreign mining machinery. With this machinery, it is anticipated that production will be doubled within two months and show a 600 percent increase within one year.

Thirty miles of new trunk railway is being built to connect this site with Suplja Boljanice, Montenegro, to handle the additional ore that will be mined.

Plans are under way to construct a hydro-electric plant on the Cehotin River near Graza to supply additional electricity for the mine.

8. Pljevlje

Sixty three thousand Norwegian spruce trees have recently been planted in the environs of Pljevlje.

9. Drainage

In the plain of Bielo Pavlovici work has begun on the construction of a dike along the Zeta River. The purpose is to drain nearby marshes and provide irrigation, by means of canals, for one hundred hectares of land.

At Djemovsko and Zlaticko Polje drainage projects have redeemed approximately 190 hectares of land, which will be cultivated this fall.

10. Agricultural Experimentation

A semi-tropical agricultural experimental station has been established at Bar. Experiments are under way with four different varieties of cotton.

At Toplica experiments are continuing with citrus fruits. Past experiments with citrons and lemons have yielded excellent results.

~~CONFIDENTIAL~~~~CONTROL~~ - U. S. OFFICIALS ONLY